

Review Date: September 16, 2010

Organization: Arkansas Department of Environmental Quality

Persons Contacted: Elizabeth Sartain, Angela Coats, Elizabeth Neubauer

Sources (EPA): 2D-96689601 6/30/09 - 09/30/10

American Recovery Act-Diesel Emission Reduction Act: \$1,730,000

\$409,529.75 expended to date of review.

1. Introduction, Background and Methodology:

- These projects maximize public health benefits; preserve and/or create jobs; promote economic recovery; and will provide investments needed to increase economic efficiency by spurring technological advances in science and health. Engine upgrades are a cost effective way to reduce diesel emissions which are used in areas where the public work and reside. The equipment operates all over Arkansas, including areas of known air quality issues.
- Grant work plan commitments include: A press event for J.D. & Billy Hines Trucking, Inc. occurred on June 10, 2010, at Prescott, AR. Representatives from Hines Trucking, the Governor's Office, ADEQ and the community were present. Information about the Hines Trucking press event is located at http://recovery.arkansas.gov/newsroom/index.php?do:newsDetail=1&news_id=417 and photos are located at <http://recovery.arkansas.gov/newsroom/gallery.php?do:showAlbum=1&albumId=72157624123089103> An ADEQ webpage for our ARRA DERA State program is available at http://www.adeq.state.ar.us/poa/gored/go_red.asp ARRA DERA projects in the state of Arkansas are listed at www.recovery.arkansas.gov and at www.adeq.state.ar.us/diroffice/stimulus.htm.
- ADEQ's sub-recipients continue engine upgrades and No Cost Time Extension (NCTE) for this program has been awarded an additional 12 months to complete engine upgrades.
- There are no previous recommendations/actions needed.
- This Advanced Monitoring Evaluation was conducted with ADEQ personnel; 5301 Northshore Drive, North Little Rock, AR 72118.

2. Results of Review with Recommendations (success and findings)

Address all of the core areas that apply to the agreement as defined in EPA Order 5700.6:

- All equipment purchased under the award is properly managed and accounted for.
- ADEQ has 13 sub recipients. The City of Conway withdrew from the program due to not being able to complete their project by the deadline. These funds were then awarded to Mississippi County to replace two engines. Hines Trucking was awarded an additional \$10,565.16 to complete their project. They were only able to install 35 units instead of 43. All these changes are reflected in the fleet spreadsheet. Hines Trucking and Cleveland County completed their projects and have been reimbursed.
- Funds remain available in order to complete ADEQ's projects. A NCTE request for 12 months has been approved: 9/30/10 – 9/30/2011.

- There is exceptional rapport among the ADEQ ARRA DERA team; ADEQ has also established relations with sub-recipients; as well as other counties, communities, etc.
- The grant activities for this project did not prompt Davis Bacon or Buy American terms and conditions.
- All programmatic statutory and regulatory requirements are being met.
- There are no Recommendations for the Grants Office at this time.
- ADEQ submitted a NCTE request, which has been approved and completed by EPA Region 6 for an additional 12 months. In discussion with ADEQ, prospective sub-grantees had assured they would be able to meet the project milestones. New project date: 09/30/2010 – 09/30/2011.

3. Recipient Suggestions/Inquiries

- ADEQ requests additional information regarding ...
 - Sub-recipients generated Program Income from scrap vehicles/replacements. This Income lowered the sub-recipients project costs.

4. Resolution Plan and Timing

- There are no corrective actions needed or necessary at this time.
 - Project Officer will follow-up with updated policies/procedures PO to follow up on re-allocation/disposition of Program Income.
 - PO has already explained and forwarded, to ADEQ, regarding the ARRA DERA Logo placement guidelines and procedures.
 - PO will supply ADEQ a copy of the IGMS Advanced Monitoring Report.

5. EPA Contact

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